



**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Assistant Secretary
for Budget and Programs
and Chief Financial Officer

400 Seventh St., S.W.
Washington, D.C. 20590

October 16, 2001

MEMORANDUM TO: Heads of Operating Administrations
Chief Financial Officers Council Members
Chief Information Officers

FROM:

for Phyllis Schenker
Donna McLean

SUBJECT: E-Gov Travel Initiatives

The President's Management Agenda identifies the expansion of electronic government initiatives as one of the key focus areas this fiscal year. To meet this challenge U.S. Department of Transportation (DOT) must improve the delivery of services to our internal and external customers through the expanded use of new technologies. We must maximize our use of ongoing e-Gov initiatives and work to identify new innovations. Your support and participation in two innovative projects to improve the delivery of travel services to our employees is essential in meeting the Administration's goals. The full implementation of these initiatives will produce significant savings for each agency within the DOT.

Over the past two years, DOT has played a leading role in bringing several travel innovations into the federal arena. Most notable is FedTrip, a self-booking service allowing employees to make their airline, hotel, and rental car reservations over the Internet. Many private sector entities have implemented similar processes and have significantly reduced their administrative costs associated with travel reservations and airline ticketing. FedTrip reduces the travel agent fee in the Washington area by over 30 percent. We are working with travel agencies in field locations to expand FedTrip's availability nationwide.

Currently there are two acceptable methods to obtain airline tickets. Many people are used to the traditional method of calling the approved travel agent and having a ticket prepared. With the reduction/elimination of commissions this has become a costly way of obtaining an airline ticket. Approximately ten percent of tickets issued to DOT employees in the Washington area are now being issued through FedTrip.

To help cut your administrative costs and stretch limited travel budgets, Washington Headquarters employees should use FedTrip as their first option for obtaining an airline reservation. I recognize that there are instances where complicated travel makes using an agent a logical choice. However, the majority of DOT employee travel is routine and would be less costly using FedTrip. **Within a year, I would like each Operating Administration (OA) to achieve at least a 60 percent usage rate for routine trips taken by Headquarters employees.** As FedTrip is connected with travel agents in field locations, I would suggest a similar goal in each location.

Another innovation being put into place by DOT involves implementation of a Web-based travel and expense system, which will modernize and streamline the reimbursement part of federal travel. DOT's OA's currently utilize a variety of automated and manual processes to carry out this function. Recent federal travel regulations require that agencies utilize an automated travel management system.

To comply with these regulatory requirements, DOT contracted with PriceWaterhouseCoopers and Gelco, a leading industry provider of travel services, to provide a web-based service. This service will greatly streamline the travel order and voucher process and ensure that we meet federal regulations. This service meets all GSA, State Department and Department of Defense regulations. A fee charged for each voucher processed would cover the cost of the service. The fee is added to the voucher (similar to the FedTrip or Travel Agent fee). This process eliminates the need for a capital cost and results in the fee being charged to the traveler's cost center based on usage.

Using a web-based service allows travelers to file for reimbursement from wherever they can access the Internet. The use of the web-based service also avoids the high costs and complexities associated with managing desktop applications nationwide. Once implemented, this service will reduce processing costs, streamline payment and accounting operations, and standardize data and processes across the Department.

Because of the many advantages associated with this service, I would like to reiterate that this service is mandated for use by all DOT OAs. We can no longer afford to be fragmented in the way we provide routine administrative services to our employees. Testing will be completed and implementation will begin in early calendar year 2002. We recognize that this transition may provide challenges for some OA's, and we will work with your staff closely to develop a schedule that is practical and advantageous to our employees.

I appreciate your support of these initiatives. Feel free to contact Andrew Julian (x61306) for more details.

cc: FMC
Travel Coordinators